

Using a non-preferred provider in a tiered network plan can also have significant financial ramifications for patients. When patients receive care from an out-of-network provider, they may be subject to staggering out-of-pocket costs, either in the form of high copayments for out-of-network services or "balance billing."

Although the ACA prohibits insurers from charging additional copayments for out-of-network emergency department care, these protections do not prevent balance billing by physicians.⁵ Balance billing occurs when out-of-network providers bill consumers for the portion of their charges not paid by the insurer. These "surprise" medical bills are a significant cause for consumer concern. A survey by [redacted] found that 44% of respondents received a bill where their plan paid much less than expected or nothing and of those who received a surprise medical bill nearly half (48%) had to pay more than \$1,000.⁶

Require states to set quantitative standards for measuring network adequacy;
Require prior approval of insurance company network access plans;
Comprehensively address the issue of surprise medical bills;
Ensure strong continuity of care protections for patients with chronic health conditions who lose access to their health care providers due to network changes or switching plans; and
Ensure that network provider directories are updated at least monthly. Directories should be accurate and easily accessible, and health plans should hold consumers harmless when directories are inaccurate.

¹ Avalere Health. Access to Comprehensive Stroke Centers & Specialty Physicians in Exchange Plans. American Heart Association. September 26, 2014, available at: http://www.heart.org/idc/groups/public/@wcm/@adv/documents/downloadable/ucm_468318.pdf.

² Dorner SC, Jacobs DB, and Sommers BD. Adequacy of Outpatient Specialty Care Access in Marketplace Plans Under the Affordable Care Act. *JAMA Intern Med*. 2015; 314:1749-1750.

³ Chhabra KR, Sheetz KH, Nuliyalu U, Dekhne MS, Ryan AM, Dimick JB. Out-of-Network Bills for Privately Insured Patients Undergoing Elective Surgery With In-Network Primary Surgeons and Facilities. *JAMA*. 2020;323(6):538–547.

⁴ Hempstead K. Marketplace Pulse: Percent of Plans with Out-of-Network Benefits. Robert Wood Johnson Foundation. October 4, 2018, available at: <https://www.rwjf.org/en/library/research/2018/10/percent-of-plans-with-out-of-network-benefits.html>.

⁵ Sun EC, Mello MM, Moshfegh J, Baker LC. Assessment of Out-of-Network Billing for Privately Insured Patients Receiving Care in In-Network Hospitals. *JAMA Intern Med*. 2019;179(11):1543–1550.

⁶ Surprise Medical Bills: Results from a National Survey. Families USA. November 2010, available at: <https://familiesusa.org/wp-content/uploads/2019/11/Surprise-Billing-National-Poll-Report-FINAL.pdf>.

⁷ Pollitz K. Surprise Medical Bills. Kaise Family Foundation. March 17, 2016, available at: <https://www.kff.org/private-insurance/issue-brief/surprise-medical-bills/>.